ILLINOIS COMMERCE COMMESSION State of Illinois Illinois Commerce Commission Firm 26 | 23 PM *01



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People of Cook County)	
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Pat Quinn) Cons	solidated
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REPLY BRIEF OF ILLINOIS POWER COMPANY

Pursuant to the Hearing Examiner's Ruling dated March 2, 2001, Illinois Power Company ("Illinois Power") hereby submits its Reply Brief.

BACKGROUND AND SUMMARY

In its Verified Brief, Illinois Power addressed the three issues propounded by the Hearing Examiner. Illinois Power has shown through its Initial Comments and its Verified Brief that it is a leader among utilities in its effort to assist its customers in dealing with this winter's high natural gas prices. Illinois Power is extremely concerned about this issue and has consistently demonstrated its willingness to assist its customers in several ways. See Initial Verified Comments of Illinois Power Company and Verified Brief.

THE ADOPTION OF THE PROPOSED RULES PROVIDE CONSIDERABLE COMPLICATIONS AND PROBLEMS FOR COMBINATION UTILITIES

The First Brief of the Staff of the Commission ("First Brief") reiterates the considerable complications and problems that would be realized if the Commission were to entertain and implement the proposed emergency rules requested in the Petitions filed by the People of the County of Cook and Pat Quinn. See First Brief at pg. 5. Staff discerned no reason other than concerns regarding high gas prices for differentiating between utilities providing gas versus electric. *See* First Brief at pg. 5. Staff correctly stated that neither of the petitions filed in this consolidated docket propose necessary provisions allocating amounts between gas service (which would be subject to current and proposed Part 280 requirements) and electric service (which is subject only to the current requirements). Without providing the necessary provisions which allocate the different amounts and procedures to be followed, customers of combination utilities choosing to assert the protection in Pat Quinn's proposed rule may claim that any balance due and owing is for gas service only and not electric. Thus, under this hypothetical, the combination utility would not be able to refer the customer to a credit reporting agency.

Staff also indicated that the proposed emergency rules create challenging, inconsistent, and unnecessarily complex differentiations. *See* First Brief at pg. 6. Finally, Staff discussed three solution scenarios and recommended that Rule 280 remain *status quo. See* First Brief at pg. 7.

Illinois Power agrees with Staff's recommendation in this regard and suggests that the Commission need not adopt the proposed emergency rules. The current Part 280 of the Commission Rules protects customers of public utilities. If the Commission adopts the emergency rules, combination utilities would have to concern themselves with potentially three different rule variations depending upon the type of service provided to the customer- rules which apply to gas only, rules which apply to electric only, and those which apply to both gas and electric. The likelihood for these variations supports Staff's recommendation to refrain from adopting new emergency rules.

As indicated above, Staff discussed two other scenarios to solve this issue. Staff did not recommend either of the two remaining scenarios. For the record, Illinois Power

is concerned with these other two scenarios identified by Staff. In the first solution, Staff suggests that the petitions could be amended to include utilities providing electric service to the proposed amendments - with clarification on the distinctions between residential and non-residential customers. Illinois Power believes that inclusion of electric customers in this docket is unnecessary since none of the three petitioners have raised any issue, of an emergency nature, applicable to electric customers.

The second scenario discussed also troubles Illinois Power. Staff suggests that the petitions might include additional provisions separating customer accounts for utilities providing combined gas and electric service. If this scenario envisions two separate bills for the gas and electric customers of combination utilities, Illinois Power is concerned. Currently, Illinois Power customers receive a bill that reflects services for gas and electricity. The suggested second scenario seems to require a combination utility, such as Illinois Power, to forward two separate invoices — one for gas and one for electric. Illinois Power suggests that such scenario is overly burdensome and represents a significant additional expense without having any additional benefit for the customer. Under this scenario, which was not endorsed by Staff, Illinois Power and other combination utilities would be required to double the effort to have two bills sent for each customer.

CONCLUSION

In conclusion, Illinois Power agrees with Staff on its recommendation of retaining the *status quo*. Illinois Power has shown it is a leader among all utilities in providing services and working with its customers during this past winter's high natural gas prices. The Petitioners have failed to provide a basis for the Commission to enact emergency rules under the circumstances, and thus, the Commission should refrain from adopting the proposed emergency rules.

Respectfully submitted,

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Dated: March 23, 2001

CERTIFICATE OF SERVICE

I, Greg Q. Hill, certify that on the 23rd day of March, 2001, I served a copy of Illinois Power Company's Reply to Exceptions by electronic mail and first class mail, from Decatur, Illinois, postage prepaid to the individuals on the service list attached.

Greg O Hill Pso

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